

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Series of Questions Addressed to Scholar Sheikh Ata Bin Khalil Abu Al-Rashtah,
Ameer of Hizb ut Tahrir through his Facebook Page

Answer to Question:

Zakat on Debts

To: Ma'an Alsarsoor

(Translated)

Question:

Assalamu Alaikum wa Rahmatullahi wa Barakatuh,

I work in one of the Palestinian universities, and often work overtime but we do not receive the overtime pay, rather it is held by the university as a debt they owe, and perhaps the credit of one for us (workers) may far exceed the quorum (*nisab*) of Zakat (due to years of overtime). And this debt is not considered a dead debt, but is recoverable, however the timing for receiving it is not known. For example, I did not receive overtime payment for four years yet; I do not know when I will receive it. Is there Zakat for this money or not? And if there is Zakat, is it payable in a lump sum when received, or is it for every year?

Note: Many of the instructors are puzzled on this issue and seek a comprehensive answer.... May Allah reward you.

Answer:

Wa Alaikum Assalam wa Rahmatullahi wa Barakatuh,

I understand from your question that the entitlement for overtime pay is agreed with the university, that you deserve for this work a specific pay given to you upon completing the work, but if they do not give it to you at the time, it becomes debt on them ... and it is not a "tip" or a bonus because you volunteered to do extra work, such that they give you what they want, a little or a lot, or not give you at all... If my understanding this is true, then the answer to your question is mentioned in the book of *Funds in the Khilafah State (Al-Amwal fi Dowlat Al-Khilafah)* in the following text:

(... Where a person is a creditor of a debt to a non-deferring rich person who is able to repay it at any time, it is obliged upon him to pay Zakat on that debt when a year passes over it. Ibn Obaid narrated from 'Umar ibn Al-Khattab who said: "When Sadaqah becomes due, count your debts and what you have as one whole then pay its Zakat." Uthman b. Affan said: "Sadaqah is obliged upon the debt which you could collect from the debtor if you want, and that debt which is on someone who delays repayment and you leave it due to shyness or as a favour; in it is Sadaqah." Narrated by Abu Obeid, who also narrated from Ibn 'Umar said: "On each of your debts in which you expect repayment you must pay Zakat whenever the year passes over it."

However, where the debt is owed by a poor person in hard circumstances, or a deferring rich person, it is not obliged upon the creditor to pay its Zakat until it has been repaid. After it has been repaid he gives all that was obliged upon him over the years. Regarding a doubtful debt i.e. one in which the creditor is not sure if it will be resolved or not. Ali said: "If he is honest let him pay the Zakat once it has been restored for the period." Narrated by Abu Obeid, who also narrated from Ibn Abbas said regarding debts: "If you don't expect to receive it, don't pay its Zakat until you get it. When you receive it, pay all that is upon it.") End of what was mentioned in the book *Funds in the Khilafah State*.

Accordingly, your pay which is withheld by the university as a credit for you on them, the Zakat on this pay is not necessary to be paid now, but it must be given when you receive your pay from the university because you do not know when you will take it. That is, you cannot request it from the university and take it from them whenever you want. As long as this is the case, the Zakat on this money becomes obligatory on you when you receive the pay and by then, you pay Zakat for the past years as from the time your money reached the Nisab (quorum) and a year has passed over it. That is, it is obligatory to pay Zakat for all the years after the passing of a year from owning the Nisab, and not only to pay its Zakat for one year, but for all the years after the Nisab passed a year...

I ask Allah to bless you in your money, family and children.

Your brother,

Ata Bin Khalil Abu Al-Rashtah

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The link to the answer from the Ameer's Facebook page:

<https://www.facebook.com/AmeerhtAtabinKhalil/posts/505904709606605:0>

The link to the answer from the Ameer's Google Plus page:

<https://plus.google.com/100431756357007517653/posts/NdFSJGdWmTX>

The link to the answer from the Ameer's Twitter page:

<https://twitter.com/ataabualrashtah/status/762929502829838337>